

# House Study Bill 107

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
LOCAL GOVERNMENT BILL  
BY CHAIRPERSON GASKILL)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act concerning the issuance of certain county general  
2 obligation bonds by requiring published notice and modifying  
3 the ballot proposition, and including effective date,  
4 validation, and retroactive applicability provisions.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
6 TLSB 1974HC 83  
7 sc/rj/14

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1 1 Section 1. Section 331.442, subsection 2, Code 2009, is  
1 2 amended to read as follows:  
1 3 2. a. The board shall publish notice of the proposal to  
1 4 issue the bonds, including a statement of the amount and  
1 5 purpose of the bonds and a statement of the estimated cost of  
1 6 the project for which the bonds are to be issued. The notice  
1 7 shall be published as provided in section 331.305 with the  
1 8 minutes of the meeting at which the board adopts a resolution  
1 9 to call a county special election to vote upon the question of  
1 10 issuing the bonds. The cost of the project, as published in  
1 11 the notice pursuant to this paragraph, is an estimate and is  
1 12 not intended to be binding on the board in later proceedings  
1 13 related to the project.  
1 14 b. Before the board may institute proceedings for the  
1 15 issuance of bonds for a general county purpose, it shall call  
1 16 a county special election to vote upon the question of issuing  
1 17 the bonds. At the election the proposition shall be submitted  
1 18 in the following form:  
1 19 Shall the county of ....., state of Iowa, be authorized  
1 20 to ..... (state purpose of project) at a total cost not  
1 21 exceeding \$.... and issue its general obligation bonds in an  
1 22 amount not exceeding the amount of \$... for that the purpose  
1 23 of .....?  
1 24 Sec. 2. Section 331.447, subsection 1, paragraph b, Code  
1 25 2009, is amended to read as follows:  
1 26 b. The amount estimated and certified to apply on  
1 27 principal and interest for any one year may only exceed the  
1 28 statutory rate of levy limit, if any, by the amount that the  
1 29 registered voters of the county have approved at a special  
1 30 election, which may be held at the same time as the general  
1 31 election and may be included in the proposition authorizing  
1 32 the issuance of bonds, if an election on the proposition is  
1 33 necessary, or may be submitted as a separate proposition at  
1 34 the same election or at a different election. Notice of the  
1 35 election shall be given as specified in section 331.305. If  
2 1 the proposition includes issuing bonds and increasing the levy  
2 2 limit, it shall be in substantially the following form:  
2 3 Shall the county of ....., state of Iowa, be authorized  
2 4 to ..... (here state purpose of project) ~~at a total cost~~  
2 5 ~~not exceeding \$....~~ and issue its general obligation bonds  
2 6 in an amount not exceeding the amount of \$.... for that  
2 7 purpose, and be authorized to levy annually a tax not  
2 8 exceeding ... dollars and ... cents per thousand dollars of  
2 9 the assessed value of the taxable property within the county  
2 10 to pay the principal of and interest on the bonds?  
2 11 If the proposition includes only increasing the levy limit  
2 12 it shall be in substantially the following form:  
2 13 Shall the county of ....., state of Iowa, be authorized to  
2 14 levy annually a tax not exceeding ... dollars and ... cents  
2 15 per thousand dollars of the assessed value of the taxable  
2 16 property within the county to pay principal and interest

2 17 on the bonded indebtedness of the county for the purpose  
2 18 of .....?  
2 19 Sec. 3. VALIDATION AND RETROACTIVE APPLICABILITY == BOARD  
2 20 RESOLUTION.  
2 21 1. If, on the effective date of this Act, the cost of a  
2 22 project authorized by ballot proposition that approved the  
2 23 issuance of county general obligation bonds at an election  
2 24 held prior to the effective date of this Act does not exceed  
2 25 one hundred ten percent of the project cost stated on the  
2 26 ballot proposition, the bond issuance amount and tax levy  
2 27 authorization as stated on the ballot and the increased cost  
2 28 of the project are hereby legalized and validated and, to that  
2 29 extent, this Act applies retroactively to the date of the  
2 30 election.  
2 31 2. The board of supervisors of a county may proceed with a  
2 32 project under subsection 1 only after adoption of a resolution  
2 33 stating the project's compliance with the conditions of  
2 34 subsection 1 and the board's intention to proceed with the  
2 35 project.  
3 1 Sec. 4. EFFECTIVE DATE. This Act, being deemed of  
3 2 immediate importance, takes effect upon enactment.  
3 3 EXPLANATION  
3 4 This bill makes changes relating to issuance of certain  
3 5 county general obligation bonds.  
3 6 The bill modifies the ballot proposition language relating  
3 7 to issuance of county general obligation bonds to remove the  
3 8 requirement that the total cost of the project be stated on  
3 9 the ballot, in addition to the amount of the bond issuance for  
3 10 which approval is being sought at election.  
3 11 The bill requires a county to publish notice of the  
3 12 proposal to issue general obligation bonds that require  
3 13 approval at election. The notice must be published with the  
3 14 minutes of the meeting at which the board of supervisors  
3 15 adopts a resolution to call a special election on issuance of  
3 16 the bonds.  
3 17 The bill legalizes and validates the issuance of general  
3 18 obligation bonds approved at an election held prior to the  
3 19 effective date of the bill, with respect to the amount of the  
3 20 bond issuance stated on the ballot proposition, if the project  
3 21 cost on the effective date of the bill does not exceed 110  
3 22 percent of the project cost stated on the ballot proposition,  
3 23 and, to that extent, the bill applies retroactively to the  
3 24 date of the election. A county board of supervisors is  
3 25 required to adopt a resolution stating project compliance and  
3 26 its intention to proceed with the project.  
3 27 The bill takes effect upon enactment.  
3 28 LSB 1974HC 83  
3 29 sc/rj/14